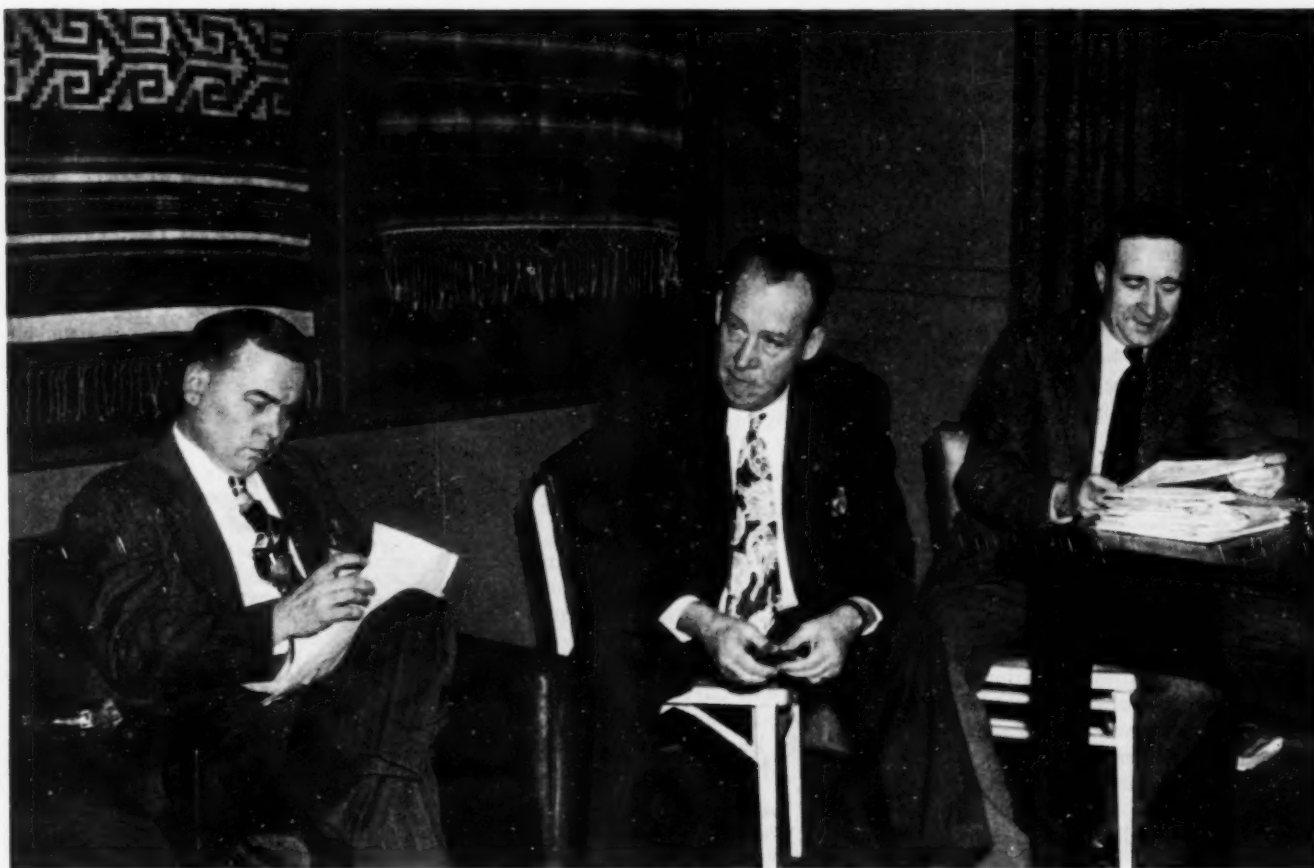


The BRIDGE

THE CREDIT UNION WAY TO ECONOMIC BETTERMENT



See Page 11

official publication

August, 1949

Credit Union National Association

What Have You Done for Me Lately?



IF all of the managing directors, league directors, national directors, and others will take a quick look at the charter and by-laws of their organizations, they will find in the stated objectives "organization of new credit unions."

Perhaps it is the first and most prominently mentioned objective.

If we will all review the notes on the speeches we have been making, we will find somewhere something about forming new credit unions.

If we review our correspondence files, especially the letters in answer to the inquiries as to expenditures of our budgeted funds, there will be reference to bringing the credit union to additional groups of people.

Now let us sit back in our chairs for a few moments and reflect upon this subject. What have we been doing lately?

Vice President Alben Barkley tells the famous story of his rural constituent Farmer Jones. As County Judge, Barkley helped him with an estate; as Representative, Barkley sent Farmer Jones seed and trees; as Senator, Barkley helped Farmer Jones become refinanced by the Farm Credit Administration; and got his wife appointed postmistress. When he was running against Happy Chandler, he heard Farmer Jones was going to vote for Chandler. He hurried over to see Farmer Jones and recounted all he had done for him, and asked about the rumor. Farmer Jones sullenly stated, "Yeh, but what have you done for me lately?"

I think it can be correctly assumed that many persons would rather aid a treasurer with his books, or see the supervisory authorities about a credit union problem, or show the credit or supervisory committees how to handle their respective jobs—than organize a new credit union.

These things are worthwhile, but does it occur to us that these services are really taking people by the hand

and leading them to do the things which they themselves have agreed to do. After it is done how many of these people will stand up in a league meeting and acknowledge this service? To do so admits their own shortcomings.

How many, like Farmer Jones, are likely to say, "Yeh, but what have you done for me lately?"

How many leagues, no matter what size, have the manpower to render all the "services" to all the credit unions that need them?

For the purpose of this discussion let us make a few comparisons.

In a building and loan league, or similar organization, doesn't everyone expect the local building and loan to have sufficient ingenuity to run its own affairs?

Outside of policy pronouncements, and general guidance, do we not expect most credit unions to have sufficient skill and ability to operate?

Isn't it better to bring a new credit union to a group of people who have none, than to spend hours distilling and refining the operational functions of a fairly-well operated credit union?

Then let us organize! What are we waiting for? We have the organization to do that job. Make use of every device at your command. If you are invited to make a speech at a chapter meeting, if possible, agree to do so only if the group will bring in a prospective credit union.

If you are going to visit a neighboring town, ask them to let you address a prospective group. Ask! Ask! No salesman ever sold anything without asking. It may have been direct, or by indirection, but he asked the purchaser to buy. Perhaps it was only by calling time and time again, but the buyer unconsciously knew the salesman had on his mind,—"Buy my product, it is good."

Let us get down to the business of selling, we have a quality product,—it is below the competitors' price,—it will do the buyer good,—there is no maintenance or upkeep as it is more than self-sustaining, it improves the general welfare.

If we more than fulfill our quotas on organization, it will answer all the questions at annual and chapter meetings as to where the money went, and what about the league dues. We brought credit unions to up to ten thousand people. There will be no Farmer Jones saying, "What have you done for me lately?"

The Bridge

Volume 14 AUGUST, 1949 Number 6

Official Publication

Credit Union National Association

Madison 1, Wisconsin

E. K. WATKINS, Editor

CHAS. G. HYLAND, Business Manager

SUBSCRIPTIONS—\$1.50 A YEAR

CUNA

EXECUTIVE COMMITTEE

JOHN EIDAM, President	Omaha, Neb.
GURDEN P. FARR, Past President	Detroit, Mich.
W. A. DUNKIN, 1st Vice Pres.	St. Louis, Mo.
MARION GREGORY, Treasurer	Belleville, Ill.
HAROLD MOSES, Secretary	New Orleans, La.
WILLIAM J. CYR, Vice Pres.	Fall River, Mass.
PAUL DEATON, Vice Pres.	Dayton, Ohio
H. B. YATES, Vice Pres.	Dallas, Texas
E. J. CHRISTOPH, Vice Pres.	Milwaukee, Wis.
JACK BURNS, Vice Pres.	Vancouver, B. C.
H. M. CAWLEY, Vice Pres.	Denver, Colo.

CUNA MUTUAL DIRECTORS

MOSES C. DAVIS, President	Atlanta, Ga.
W. W. PRATT, Vice President	Philadelphia, Pa.
GURDEN P. FARR, Secretary	Detroit, Mich.
HARRY C. LASH, Treasurer	Council Bluffs, Iowa
JOSEPH S. DERAMUS	Chicago, Ill.
JOHN L. MOORE	Oakland, Calif.
WILLIAM REID	Brooklyn, N.Y.
HAROLD MOSES	New Orleans, La.
THOS. W. MOLLOY	Regina, Sask.
LEONARD MITCHELL	Toronto, Ont.

CUNA SUPPLY DIRECTORS

E. J. CHRISTOPH, President	Milwaukee, Wis.
THOMAS A. KELLEHER, Vice Pres.	Utica, N.Y.
W. O. KNIGHT, JR., Secretary	Sioux Falls, S. Dak.
PAUL D. HALLAM, Treasurer	Kansas City, Mo.
M. H. WIDEMAN	Baltimore, Md.
B. B. HUMPHRIES	Asheville, N. Car.
C. S. CASE	Portland, Ore.
J. D. N. MacDONALD	Dartmouth, N.S.
GURDEN P. FARR	Detroit, Mich.

STAFF

THOMAS W. DOIG	Managing Director
CHARLES F. EIKEL, Jr.	Asst. Managing Director
CHARLES G. HYLAND	Comptroller
VAUGHN LISCUM	Assistant Comptroller
RUTH RYAN	Staff Assistant

ORGANIZATION AND EDUCATION DEPT.

William B. Tenney	Asst. Director Organization
-------------------	-----------------------------

Field Staff

HUBERT M. RHODES	Manager Washington Office
GORDON SMITH	Manager Canadian Office
C. GAIL KEETON	Field Representative

CUNA MUTUAL INSURANCE SOCIETY

O. H. EDGERTON	Assistant General Manager
T. B. BENSON	Assistant Comptroller
JOHN A. COLBY	Asst. to Managing Director
R. E. COTTERMAN	Asst. Registrar

Field Staff

C. O. SKORSTAD	Field Representative
J. ORRIN SHIPE	Field Representative
HENRY L. TIMME	Field Representative
HASELL R. HOOD	Field Representative

CUNA SUPPLY COOPERATIVE

B. F. BEALES	Manager
W. S. BUCHANAN	Asst. Manager
HOWARD C. CUSTER	Director of Publications

BRIDGE (see above)

ADVERTISING RATES ON APPLICATION

All subscriptions received before the fifth of the month start automatically with the issue of the current month; all those received after the fifth of the month start with the following month. To insure prompt delivery of THE BRIDGE, when you change your residence please send in a postcard with your former address as well as your new address. When sending in a single subscription or a group of subscriptions, THE BRIDGE would appreciate it if you would mark all renewal subscriptions conspicuously with the word "renewal."

THE BRIDGE is published monthly by the Credit Union National Association at 404 North Wesley Avenue, Mount Morris, Illinois. Address the Editorial or Business offices at P. O. Box 431, Madison 1, Wisconsin. The Advertising Representative is Vining and Meyers at 360 North Michigan Avenue, Chicago, Illinois.

Entered as second-class matter February 12, 1942 at the post office at Mount Morris, Illinois, under the act of March 3, 1879. Copyright 1949 by the Credit Union National Association. Subscription rates are single copies at 15c and yearly subscriptions at \$1.50.

Member Editors Association of Wisconsin, and Member National Council of Industrial Editors.



The BRIDGE



The Way I See It

You Are Welcome Back in Texas TO THE EDITOR:

Ever since the meeting of CUNA and its affiliates and the Texas Credit Union League in Houston, we have received a stream of thank you letters and comments from credit unionists all over the continent.

In behalf of the Texas Credit Union League and the Houston Credit Union Chapter, general convention chairman Chief Thomas and myself wish to express our gratitude for these many notes of appreciation from many fine credit union folks.

We were honored to have been your hosts and cordially extend to everyone a traditional Texas au revoir "y'all come back."

Would you please extend our thanks to all these fine people through THE BRIDGE?—James M. Barry, Managing Director, Texas Credit Union League.

Value in Cooperative Endeavor TO THE CREDIT UNION NATIONAL ASSOCIATION

Enclosed please find report of increase in membership. I feel this report is quite encouraging for a small community credit union like ours. I would not wish to state which of the pamphlets brought the most results as I feel they are all very good. I do, however, feel that the loan and share insurance have been a real factor. I would like to thank all the members of the Cuna Society that I have done business with. They have been most helpful and courteous. We feel that the membership drive is only a start. Before closing I wish to state that I will be one of the first to call on your Society if in need of constructive material.—R. W. Shaw, Treasurer, Edmonton, Alberta.

Courtesy and Consideration TO: THE PRESIDENT OF POST OFFICE CREDIT UNION OF INDIANAPOLIS

Just a word of appreciation to those responsible for the efficient and courteous service rendered by the Post Office Credit Union. It is common knowledge around the Federal Building that this Unit really and truly functions for the sole benefit of the postal and federal employees. Many have, from time to time, voiced

their heartiest approval of your business methods, the expediency in handling the various transactions, the confidential advice provided merely on request, and the willingness to aid us all in solving our financial difficulties.

While it is recognized that all of you perform your duties in connection with this organization as a sideline and receive very little monetary compensation, if any, there is no private business of this nature in this city which can, or does, offer the type of friendly, genial service which could compare with that provided by "Our" credit union.

So—you can readily see why your volume of business is growing by leaps and bounds. Those of us who have taken advantage of your exemplary service find pleasure and pride in recommending it to the newly appointed employees. THANKS A MILLION.—Robert E. Berlier, Sec., Local No. 130, National Federation of Post Office Clerks.

A Chance To Boost Shares

FROM THE EDITOR:

Another credit union has just distributed a chart illustrating level payments on loans that would build the shares while the loan is repaid.

If a person can afford to pay a regular amount back each payday until the loan is paid, cannot the same amount be continued on the share side? The occasions to refinance a loan may keep a continuing loan balance for a long time; or the occasion to borrow may prevent the usual growth of shares—but is it reasonable to assume that the payments to the credit union should stop at the precise point where the note can be marked "paid"?

In fact, is it wise to adjust our expense of living upward by the amount of the loan repayments before we get a buffer of savings on hands? Is it a sound theory for borrowers to oppose the continued payments on savings when the loan is paid—when they are so often dependent on a loan from other savings?

Then if we are prone to criticize borrowers for not increasing their shares, is it good practice to put the emphasis on the achievement of getting the loan "PAID"?

Has anyone experimented with a chart that continues until a respectable loan account has become a respectable share account?

Greater Than The Atom

FROM: THE OHIO FARM BUREAU NEWS

The split atom releases a new kind of energy, more powerful than man ever before held in his hands.

But one thing is more potent than the atom—the power that springs from human beings working together.

It was our capacity for teamwork that cracked the atom and disclosed the secret of the A-bomb.

Now our world itself seems to be cracking apart. To hold it together we need to begin right in our home community.

Let's use this power that is ours—this capacity for teamwork—to build better communities by working with our neighbors.

Enjoys Credit Union Business

TO: CREDIT UNION NATIONAL ASSOCIATION

Under separate cover I have returned your educational loan packet.

In behalf of our credit union the writer wishes to extend appreciation for the fine spirit of cooperation and prompt service we have enjoyed in dealing with your organization.

We are only a few months old but already see the possibilities of molding something big and strong for the members to lean against in time of distress. We are thoroughly enjoying every minute of TAW and its transactions. — TAW Employees Credit Union, W. A. Meighan, Treasurer.

Your Credit Union's Future

FROM THE EXECUTIVE-DIRECTOR OF PENNSYLVANIA ANNUAL REPORT TO HIS LEAGUE

Ever since the war ended there have been rumors and opinions about a coming depression. There seemed to be no foundation for such statements and there are few today. The repetition of this opinion creates fear. This creation is a mental condition but it can develop into a physical condition. Just try telling yourself each day that you don't feel well and see what happens.

We can not afford to have a serious recession or a depression. It would be a threat to our democracy and a serious handicap to our present worldwide program of assistance to the free countries of the world. Such a condition would play into the hands of the Russian Government's plans and objectives.

Certainly we must have some ad-

justment of our economic problems, price corrections, profit reductions, wage adjustments, production fluctuations, etc., as we pass from the past three year period of high production for replacement and shortage eliminations, but there is still a need for many articles and the adjustment period should not be too long or too severe.

As there are many forces influencing these adjustments, over which we have little or no control, every credit union should find it advisable to review its policies and prepare itself to meet any future conditions. This review must not be made in a state of fear but in a spirit of sound logic remembering that our objective is continued service to our members.

UNDIVIDED PROFITS: Every credit union should increase its undivided profit account to prepare for the maintenance of operations in the event that interest income is decreased because of lower loan demands, lower loan balances and reduced interest income. This should be done by resisting the desire to increase dividend payment percentages. During the past year we have urged credit unions to keep dividend percentages increases within reasonable limits. We appreciate the reception given to our suggestions, however, some credit unions have reverted to high dividends, depleting their undivided profit accounts. We consider this a very unsound practice.

RESERVE FOR LOANS. Several years ago when loan balances were low the reserve balance seemed to be high. Today, however, with loan balances two to four times the 1946 balance, your reserve has decreased percentage-wise in relation to outstanding loans. Reserve balance must be increased and maintained at a high level. This can best be done by a good *Delinquency Control*. A close control on delinquent payments is now a matter of great importance. Temporary lay-off from work, reduction in job classifications, high living costs, etc., will require consultation with borrowers, adjustment of payments, extension of loan payment schedules to maintain a proper schedule to provide the service needed by your members and for the protection of your credit union.

The need for funds to meet loan demands and partial share withdrawals may require that you borrow money. If your investments have been redeemed your opportunity to borrow may be seriously restricted. For several years we have suggested that you borrow against investments to open the doors of lending institutions. We continue this recommendation. It is possible, however, that some sources

for loans may not be available and **LOANS BETWEEN CREDIT UNIONS** may be a very vital process in credit union operations. We can not be independent as we are interdependent. A single credit union no matter what its size is weak by itself. Our joint relationship each and every credit union working with one another is our strength. To accomplish this interlending there is a need for **INCREASED SHARE DEPOSITS**. It is surprising how many credit unions have limits on savings. Usually this is caused by consideration of a possible reduced dividend rate. Let us not forget that **THRIFT** promotion is the primary purpose of our credit unions. Service is next which includes loan protection, adequate salaries, reserves, etc. The payment of dividends is last and must always remain so, as your credit union is a cooperative, not a profit corporation. Our service includes **LOANS TO MEMBERS** which should not be curtailed simply because we are suspicious of the future. Our loan service should be continued on a reasonable basis with credit extensions in relation to the problems of the borrower and the real need for financial assistance. Sometimes the rules and regulations make it appear that the Board of Directors and Committees think that the credit union belongs to them, whereas, it belongs to the members and its operations must be geared to their needs.

SHARE WITHDRAWALS of entire accounts should be discouraged. Only those sums which are actually required should be removed. The real test will be dependent upon how well a credit union has informed its members on the co-operative philosophy of your credit union and the credit union movement.

ECONOMY PRESSURE in industry may result in pressure on credit

unions in varying degrees. In order that we are prepared for such a condition every credit union should consider the advisability of being prepared to be more self sustaining as to time for meetings, expenses, performing its services, and absorbing the full cost of clerical assistance, space, and other essential items.

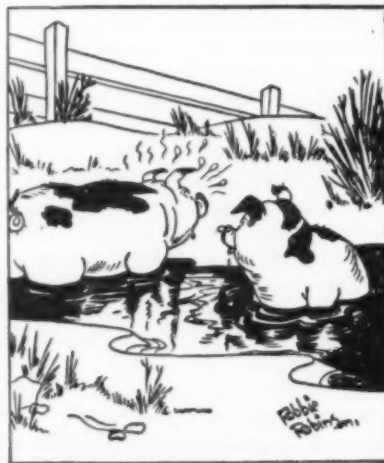
The continued success of your credit union and every credit union, the expansion of its services brings with it the increasing possibility of effort through legislation channels to restrict its field of activity. It is therefore essential that the officers and directors become personally acquainted with their State and Federal political representatives in order that we may develop a personal relationship that will insure favorable interest when the occasions require favorable understanding.

NEW CREDIT UNIONS must be organized, and more and more of them as quickly as possible, a rapid increase in the number of persons having credit union thrift and loan service is essential to our political and economic security. The assistance of every credit union is welcomed in our effort to create new credit unions.

Last year we celebrated 100 years of Credit Union History. In Pennsylvania it was 15 years of credit union service, in the United States it was about 40 years of service. However, our greatest period of progress has been since 1934 as almost 80 percent of the credit unions have come into being within that period.

Throughout our nation the cooperative way of doing things can, will and must play a very important part in the future economy of our country and in the protection of the economic interests of the working people of our country.

The credit union movement is the greatest group of such mutual enterprises united in a single organization. Its objective is the development of thrift; its accomplishment, the control of our own money; its success to date has been outstanding; the future provides an ever present opportunity for expansion and accomplishment far beyond the expectations of any one of us, its continuation is a guarantee to our children and their children. Its success rests in our hands, yours, your fellow directors and committee members; its success depends upon your continued loyal support which has been so graciously extended in the past, as your League working with all other Leagues, joined with our Credit Union National Association, go forward, united for our advancement and for our protection.



"I'll say it's hot.
I'm practically barbecued."

Your Stake in Thrift

By J. W. EVANS

(The need for thrift discussed by Mr. Evans in the following article was to aid the outstanding thrift efforts of the United States Savings Bond Program. The same observations apply to credit unions, and especially to a need for a constructive source of credit which we create thru credit union savings. Credit union members by saving in their credit union have an advantage in that they create a low-cost constructive source of credit and provide for the investment of surplus credit union funds in Savings Bonds.)

AN increasing number of business concerns in Texas, as well as throughout the nation, are encouraging their employees to save money by making available to them the Payroll Savings Plan for purchase of U. S. Savings Bonds.

In the past year more than 2,000 large companies have installed the Payroll Savings Plan, bringing the national total to 20,000. During the same period the number of employees participating in the plan has jumped from 4,500,000 to 7,500,000—a gain of 3,000,000—and their total investment in Savings Bonds through deductions from wages and salaries has climbed from about \$85,000,000 to \$150,000,000 per month.

It is obvious that management has found good reasons for promoting the Payroll Savings Plan. What are these reasons? The worker benefits, of course, when he saves money, but why should management take on the responsibility and expense of helping him to save? What does the company get out of it?

The company benefits from (1) improved morale of employees, (2) less turnover of personnel, (3) less absenteeism, and (4) fewer accidents. In any office or plant—large or small—these benefits can be translated into lower costs through greater efficiency and more and better production.

Affects Productivity

Studies have proved that the worker's feeling of insecurity can adversely affect his morale, character and productivity. This feeling prevails today perhaps more than at any time in the nation's history as the result of inflation, the confusion

attending our post-war readjustments, the uncertain international situation, and the increasingly complex problems of life.

Although doubts and misgivings may assail the minds of people in all walks of life, many of those in the low-income brackets are especially the victims of the conscious or unconscious knowledge that economic security has escaped them.

It makes no difference whether their lack of financial security stems from genuine misfortune or from their disregard of simple economic facts and mismanagement of their own personal finances—their psychological reaction detracts from their value to themselves and to their employers.

In the employee, the feeling of economic insecurity manifests itself by restlessness and by dissatisfaction, indifference and carelessness in his work, which increase the company's operating costs through lower production and higher rates of accidents and personnel turnover.

Restlessness and dissatisfaction cause the worker to seek "greener pastures." That these greener pastures frequently turn out to be mere mirages does nothing to lessen the fact that industry in recent years has borne increasingly high costs for replacement and training of workers.

Business executives need not be told that personnel turnover has increased but here are some facts furnished by the U. S. Bureau of Labor Statistics: In October, 1939, the average monthly quit rate among non-agricultural workers was .9 per cent, while seven years later, in October, 1946, it has increased to 4.6 per cent. Thus, during the post-war period, the rate is 5 times greater!

Turnover Is Costly

The situation may have eased somewhat since 1946, but the figures serve to point up one highly significant fact—that with such a turnover the average company must replace its labor force at the rate of 100 per cent every 22 months. This is an expensive process. The cost of hiring and training employees for their new jobs varies with the locale and the type of work, but most industrialists agree that it is at least \$100 per person, on the average.

Also to be considered is the cost

involved in the involuntary slow-down and the increased accident rate arising from the indifference and carelessness of workers. Countless employees fritter away valuable production time or, worse, cause injury to themselves or others while concerning their minds with daydreams or worries.

Now lest the author himself be accused of daydreaming, let it be said that neither the Payroll Savings Plan nor any other single factor is a panacea for all of industry's labor and personnel problems. But savings for employees, as represented by the Payroll Savings Plan, is a fundamental approach to those problems because "money troubles" are at the root of a vast amount of the misery and discontent that bedevil mankind.

Builds Economy Security

Participation in Payroll Savings helps the worker avoid money troubles by providing him with a reserve of savings that can be used for financial emergencies. Better still, it encourages him and gives him the opportunity to manage his financial affairs wisely and build economic security for himself and his family. It teaches him that his job will pay him a "net profit" if he will only take it.

When a wage or salary earner permits his normal expenses to equal or exceed his income, he is in the same predicament as a business concern that is only breaking even or losing money. The wage earner's savings are his net profit.

This net profit, accumulating and drawing interest through the years, is the resource that will provide him and his family with a substantial share of the good things of life—a home of their own, a college education for the children, a piece or two of revenue property, or an income to supplement their social security benefits when the time for retirement arrives.

A Curb For Unrest

Material gains, such as homes and savings, are the roots that anchor people to their communities and to their jobs; these are the things that curb man's restiveness and his nomadic instinct, give him a solid interest in his job and free his mind of frivolous and unsound distractions.

No method is more effective than the Payroll Savings Plan for educating workers to the means of acquiring more of the good things of life; no plan offers them as much help in doing so. Saving is never easy, even for the people who want to save.

Money left in the purse or a checking account has the almost magical ability to disappear; and human nature being what it is, not many people can stick to a plan of regular savings unless it is completely automatic.

By being completely automatic, the Payroll Savings Plan fills the major requirement. Once the worker has signed up for it, his savings go on and on.

Several companies have conducted surveys to determine what effect Payroll Savings have on employees and how, if at all, this effect produces benefits for management.

Absenteeism Survey

In a study of absenteeism, Butler Brothers found that a group of employees not participating in the plan were absent 19.5 days during the period of the test, as compared with only 5.5 days absent for the same number who saved regularly under Payroll Savings.

Munsingwear Inc. made a similar survey, showing that in the seven-month period from Jan. 1, 1948, to Aug. 1, 1948, 25 employees on Payroll Savings were absent 53.5 days as against 98 days for 25 employees not participating in the plan.

Munsingwear also conducted a study which showed that of 50 employees on Payroll Savings none left the employ of the company, while of 50 that participating in the plan four left the company's employ.

The General Electric Company has operated the Payroll Savings Plan for employees since early in the war. It likes the plan better today than ever before, as evidenced by the fact that the company recently announced that it would give bonuses of common stock to employees who buy Savings Bonds and hold them for periods of five years.

Stock Bonus

The stock bonus amounts to 15 per cent of the value of Savings Bonds bought through Payroll Savings by employees. Since the company has agreed to contribute up to \$4,500,000 per year for the stock bonus, it is clear that General Electric, one of the empires of American industry, is convinced that the company, too, benefits from the savings of its employees.

That workers want to save and will save if they are asked to do so, and if saving is made easy for them, is ably demonstrated by the Pennsylvania Railroad. Last summer this company conducted a vigorous Payroll Savings campaign. No pressure was used on employees, but manage-

ment gave its hearty endorsement to the plan and authorized a person-to-person solicitation in which employees canvassed their fellow workers. When the drive ended, the Pennsylvania Railroad proudly announced that 82,553 employees had signed up for Payroll Savings.

Now, the government's interest in Savings Bonds is simply this. We won the war, but we haven't paid for it yet. Remaining as the price of victory is a public debt of \$252 billion. The money the Treasury Department derives from the sale of Savings Bonds, and its other securities, is used to refinance the debt pending the day it can be retired.

May Prevent Depression

The size of the debt also is a tremendous force on our national economy. Proper management of the debt requires that it be distributed as widely as possible among the people, rather than for it to be concentrated in the hands of the banks. The people's savings, as represented by their holdings of Savings Bonds, give them a reserve of spending power that can delay or possibly prevent another depression.

Business and industry have more than a casual stake in the maintenance of a strong national economy. Besides the actual dollars-and-cents loss, another depression would threaten the free enterprise on which our business system is founded.

Talk as we will about the blessings of the free enterprise system, the danger of foreign ideologies will continue so long as a large proportion of our citizenship remains in the have-not or near have-not class. This statement is not an advocacy of any crackpot share-the-wealth plan, but it can be interpreted as a warning to business and industry that they must take an active hand in educating the masses, and especially

the employees in their own companies, to the means for acquiring and holding on to some of the wealth for which this nation is famous.—TEXAS INDUSTRY, December, 1948.

Alabama Hires Full Time Field Representative

JULIUS M. SPARKMAN became the first full-time field representative for the Alabama Credit Union League. Mr. Sparkman graduated from the



University of Alabama this spring with a B.S. degree in Commerce and Business Administration. He formerly managed the Tuscaloosa Credit Union serving the employees of the Gulf States Paper Corporation. Mr. Sparkman is a veteran of World War II. He is married and has one daughter.

Future Fun Is Fictional

AN INDIAN GIRL coming of age was given a basket and told she might pick the finest ears of corn in a given row. However, she was not to retrace her steps but choose as she went along.

As she went along the row she admired the fine quality of the corn before her, but passed each one up thinking that better ears lay ahead. Suddenly, to her dismay, she came to the end of the row and she had gathered none.

Life is like that. We dream and plan for happiness in the future, but find that future happiness is fictional. "I can't afford a trip," said a friend to me. But a humble trip could have been taken, perhaps just a three-day jaunt to the mountains or the desert that would have been a milestone of happy memory. The happiest excursion I ever enjoyed was a three-week bicycle trip my father and I once took through the Highlands of Scotland. It was a new and enchanting experience and cost about \$75.00.

Don't say, "If I had a thousand dollars, I could take the trip I've always dreamed about. You DO have fifty dollars and you can spend a week in a mountain cabin and get a lot of zest from the experience. Fun in the future is fictional. It isn't worth waiting for. It's a dream with only the substance of a dream. A little fun and relaxation NOW is worth a great deal of fun that may never come.—ANVIL CHORUS.



"Any special kind, dear?"

Why Credit Union Members Borrow?

By Erdis W. Smith

DURING DECEMBER 1948, the Bureau of Federal Credit Unions sent questionnaires to the credit committee chairmen of all Federal credit unions with the suggestion that a copy be filled out while the committee prepared its report for the 1949 annual meeting. The questionnaire called for listing the total number and total amount of loans granted during 1948 for each of the following purposes: to finance the purchase of automobiles, household furniture and appliances, and other consumer durable goods; to pay taxes, funeral expenses, insurance premiums, current living expenses, vacation expenses, and home repair expenses; to pay medical, dental, and hospital expenses for adult members of the family, dependent children, and maternity cases; to consolidate debts, make investments in business ventures and in stocks and bonds; and loans for all other purposes.

The first three purposes for which Federal credit unions made loans during 1948, in order, after excluding "Loans for other purposes" were as follows:

TOP RANK REASONS FOR LOANS BY NUMBER AND AMOUNT

Rank	Number of Loans	Amount Loaned
First	Current living expenses	Purchase of automobiles
Second	Consolidation of debts	Consolidation of debts
Third	Medical expenses for adult members of family	Current living expenses

As an indication of Federal credit union practice, the rank on the basis of number of loans granted is the most significant.

In general, Federal credit unions provide remedial loan service for their members and supplement rather than compete with lending services provided by banks and building and loan associations. Loans which enable a family to adjust its finances to meet problems caused by declines in real income or sudden emergencies are not, as a rule, the type of loans bank choose to make. Need for such loans often forces people of small means to patronize high-rate money-lenders. This survey demonstrates that Federal credit unions can and do provide a worthwhile loan service in a field not adequately served at reasonable rates by commercial lending agencies.

Purposes for which Federal credit unions granted loans during 1948:

Purpose	Percentage Number of Loans	Percentage Amount of Loans
LOANS TO PURCHASE:		
Automobiles	7.5	21.3
Household furniture and appliances	6.0	5.5
Other durable consumer goods	1.4	1.3
LOANS TO PAY:		
Taxes	3.9	2.5
Funeral expenses.....	0.6	0.5
Insurance premiums...	2.0	1.2
Current living expenses	16.1	9.6
Vacation expenses.....	5.9	3.4
Home repair expenses..	7.2	9.5
MEDICAL, DENTAL, HOSPITAL EXPENSES		
Adult members of family	11.9	8.0
Dependent children...	2.5	1.6
Maternity Cases.....	0.9	0.7
EDUCATIONAL EXPENSES		
Adult members of family	0.6	0.5
Dependent children...	1.1	0.7
LOANS TO:		
Consolidate debts.....	15.4	14.9
Make investments:		
In business ventures..	1.3	4.5
In stocks, bonds, etc...	0.3	0.5
.....	15.4	13.8
TOTAL	100%	100%

LOANS FOR ALL OTHER PURPOSES

The three most commonly given

purposes were: "Current living expenses," "To consolidate debts," and "Medical, dental, and hospital expenses for adult members of the family," in that order. Out of eight classifications of credit union based on size of assets, "Current living expenses" was the most frequently cited purpose in five of the eight groups. "Consolidation of debts" was first in the number of loans granted for one classification, second in four, and third in one. Loans for medical services for adult members of the family ranked as the third most frequent purpose for all credit unions above \$1,000 in total loans granted during the year.

In gauging the loan practices of Federal credit unions, the number of loans granted in a given period is more significant than the amount of loans granted for various purposes. When amounts are considered, the influence of the large credit unions

that can and do make large loans distorts the aggregate percentages. This is best illustrated by the statistics for loans granted to purchase automobiles. While Federal credit unions in all size groups made some automobile loans during 1948, the number granted ranged from 2% for the smallest size group to nearly 9% for the largest size group. On the basis of amount, automobile loans ranged from 4.4% for the smallest size group to 23.5% for the largest.

Based on amount, the chief purposes for loans were: "To purchase automobiles," "To consolidate debts," and "To pay current living expenses"—Automobile loans made up the highest percentage of the amount loaned for four classifications, including all Federal credit unions that granted loans totaling \$10,000 or more during 1948. "Consolidation of debts" accounted for the highest percentage of the amount loaned by three of the four classifications that loaned less than \$10,000; it ranked second for the three largest size groups, consisting of Federal credit unions that loaned in excess of \$25,000. "Current living expenses," which ranked third in the amount loaned in the combined figures for all Federal credit unions, ranked second for three classifications, fourth for four classifications, and fifth for one classification. Loans for home repairs ranked third for five groups, while loans to purchase household furniture and appliances, loans to pay medical bills for adult members of the family, and loans to consolidate debts each ranked third for one classification.

How The Study Was Conducted

The submittal of the questionnaire was optional. Four hundred thirty-two complete and usable returns were received. Since there were 4,058 Federal credit unions in operation on December 31, 1948, the survey produced a sample equal to 10.6% of the operating units. To further test the adequacy of the sample, the returns, classified by the type of common bond of the Federal credit union (associational, occupational, or residential), were compared with the type distribution of all Federal credit unions. In addition, the returns were classified by size groups based on the total amount of loans granted and were compared to the number of all Federal credit unions classified by

size groups based on total assets. These tests disclosed that the sample was a good cross-section of all operating Federal credit unions.

To properly interpret the findings of the survey, it is necessary to keep two factors in mind: the nature of installment loans as a part of family budgets, and the nature of Federal-credit-union lending policies.

In general, the total family income is apportioned to all family obligations and the specific application of the proceeds from a cash loan may not be identifiable. For instance, the "rent money" one month may be used to purchase a radio. A loan of approximately the same amount during the same month may be designated as a loan to pay the rent or to pay for the radio. When the variety of family expenditures over a period of time is considered, it becomes difficult to ascribe the exact purpose for which the family may borrow money during that period. This factor would be more important for such expenditures as medical expenses, vacation expenses, and home repairs, than for the purchase of durable consumer goods when the item purchased is pledged as security for the loan.

Federal credit unions are authorized by the Federal Credit Union Act to make loans to members for "provident and productive purposes." The board of directors for each Federal credit union establishes the general operating policies, including the interest rate on loans, the maximum amount that may be loaned to any one member, and, in some cases, the type of security that may be accepted. The administration of loan policies is the responsibility of the credit committee, which must act on each loan application. The credit committee may increase the collateral requirements or decrease the amount loaned in individual cases but may not exceed the limitations fixed by the board of directors and by the Federal Credit Union Act. As credit unions increase in size, the board of directors usually liberalizes policies pertaining to loans. Generally, credit committees become more liberal as they gain experience and the members demonstrate their credit worthiness through transactions with the credit union. In practice, the phrase "provident and productive purpose" is interpreted to mean any purpose which is helpful to the member. The standard loan application provides space for the member to write out the purpose for which he is borrowing the money. The purpose as stated by the member is considered at the time the

committee acts on the application. The statistics concerning loan purposes were tabulated from loan applications filed by members who obtained loans during the calendar year 1948.

These two factors were considered when the questionnaire was designed. To provide a basis for tabulation and analysis, an effort was made to list a comprehensive group of loan purposes that would be generally applicable. No definitions of the pur-

poses were prescribed, because it was believed that the titles were self-explanatory. The tabulation of the purposes stated on the loan applications and grouping under the various categories on the questionnaire were done by the credit union officials. While there are undoubtedly differences in grouping the data, due to differences in interpretation, we believe the overall results of the survey are acceptable as indications of purposes for which Federal credit unions granted loans during 1948.

Million Dollar Credit Union Takes Life Savings Contract

Gates Mutual Credit Union of Denver, Colorado, with assets of over a million dollars in shares, has recently increased its service to members with the adoption of CUNA Mutual's Life Savings Insurance. Now, as members save they receive life insurance automatically, without paying any individual premium. Gates Mutual Credit Union pays the premium as an incentive to savings and as basic insurance protection for credit union families.

Before applying for Life Savings Insurance, Gates Mutual Credit Union contacted a number of other credit unions who use it, to get the benefit of their experience. These credit unions reported that Life Savings Insurance was a real asset and unquestionably helped to increase membership and share balance.

On the basis of these reports, President Sam Witten, President of Gates Mutual Credit Union, recommended the Life Savings Plan to the membership at their annual meeting. J.

Orrin Shipe, Cuna Mutual Field Representative, presented the plan and answered questions about Life Savings. Gates Mutual members voted to adopt Life Savings Insurance.

This new service is in line with the constant progress of Gates Mutual Credit Union. Here's their enviable record: In three years' time they show the following increases—

	Dec. 31, 1945	Dec. 31, 1948
Membership ...	1,916	3,571
Personal loans ...	\$ 43,747	\$ 416,377
Real Estate		
Loans	\$ 34,691	\$ 234,769
Savings	\$384,748	\$1035,601
Total assets....	\$415,310	\$1110,208
Reserves	\$ 24,369	\$ 55,786
Net Earnings....	\$ 4,672	\$ 36,701

During the same period, the ratio of expense to total income fell over 20 percent! Gates Mutual Credit Union now pays 3% dividend on shares. The significant fact is that these advances have been made de-

(Continued on page 22)



About 800 members this annual meeting of the Gates Mutual Credit Union. In the front are: J. Orrin Shipe, CUNA Mutual Representative; R. F. Brink, a guest from the Bellico Credit Union; Ed Tooley, secretary; Bob Steinke, treasurer; Clyde Magee, vice-president; Gall Keeton, guest and a federal credit union examiner at this time; Dominic Costa, a member of the supervisory committee; Ted Day, a guest from St. Dominic's Parish Credit Union; Bill Bentley, credit committeeman; H. M. Cawley, guest from Denver Firemen's Federal Credit Union; and Jack Cowherd, a guest from the Denver Postal Employee's

Credit Union Day

Centennial Accomplishments

ILLINOIS credit union people topped the list of POP fund contributors with \$1,271.85, the final totalling of POP fund figures shows. Largest individual check was that received from the Southern Illinois Chapter of Credit Unions, (East St. Louis, Illinois) for \$689. All receipts from October's Credit Union Day celebration are in, and the POP fund has been set up with the contributions of credit union people who are genuinely interested in promoting the credit union movement, and who know one of the best ways to do it is through a first-rate public relations program.

Following is a breakdown of the receipts by states and provinces:

Illinois	\$1,271.85
Michigan	501.74
Pennsylvania	424.35
Wisconsin	357.30
Minnesota	261.03
Iowa	171.70
North Dakota	151.36
Louisiana	146.62
California	140.25
Connecticut	140.00
Ontario	96.10
Colorado	66.25
Indiana	57.86
Oregon	50.00
Washington, D. C.	48.49
Nebraska	39.87
North Carolina	28.75
Tennessee	26.00
Arkansas	25.12
Kansas	25.00
Massachusetts	15.94
Arizona	11.45
Virginia	10.50
Washington	5.55
Idaho	5.00
Saskatchewan	2.00
Alberta65
<hr/>	
	\$4,080.73

This financial statement tells only part of the story; many of the important results of the first Credit Union Day celebration cannot be measured in dollars. The Credit Union Day Dinners and the launching of the POP Program at the Centennial Celebration were in themselves of great value to the credit union movement. They resulted in a tremendous amount of publicity, as evidenced by the many newspaper clippings of news stories, pictures, feature articles and editorials which reached *THE BRIDGE*. From all states and provinces and even from as far away as Jamaica we received reports of highly successful Credit Union Day celebrations which excited much public interest in credit unions, increased credit union membership and resulted in the actual

organization of new credit unions.

Credit Union Day was celebrated in many different ways throughout the land—ranging from family style picnics to formal dancing parties. Unusually fine entertainment was reported, and credit union leaders say the dinners built up enthusiasm and pride in the achievements of credit unions among their members. The statement of President Truman recognizing the Credit Union Centennial received national publicity. In a number of places, credit unions received publicity from their local radio stations, and the Canadian Credit Unions obtained a network broadcast.

Outstanding figures* in government, industry, commerce, labor and the churches were guests at Credit Union Day dinners, and many individuals received Certificates of Merit for their contribution to the credit union movement.

"It is hard to overestimate the good done by the first Credit Union Day celebration," said Mr. Charles F. Eikel, Assistant Managing Director of the Credit Union National Association. "It's like throwing a pebble into quiet water—the ripples radiate in ever widening circles—until that little pebble has changed the surface of the whole pond. We have evidence that the first Credit Union Day has benefited the credit union movement in ever widening circles."

Total expenses entailed in setting up the first Credit Union Day and the Centennial celebration were \$1,875.63. Most of this was spent for printing and distributing promotional material, including letters to all Managing Directors and Chapter Presidents, publicity suggestions in the Credit Union Day Dinner Kits, Centennial Proclamations, and Credit Union Day posters.

A detailed statement of the expenses charged to the fund follow:

POP PROGRAM EXPENSES	
What to do Check List	\$ 8.60
Publicity Ideas	1.65
Proposed letter to Chapter Presidents	4.60
Get in the Swing	2.30
Questions About the POP Program	3.10
Questions and Answers	15.00
CUNA POP Program	39.40
Managing Director's Idea Sheet	3.65
Chapter What to do List	11.15
Buff Envelopes—500	17.40
Composition and Negatives on	

4,836 POP Folders	29.06
Proclamations—13,000	350.87
Stiffeners—13,000	291.20
Engraving	10.75
Sample News Releases	4.40
Miscellaneous Mimeographing	108.40
POP Leaflet—15,000	117.65
Return Envelopes (Printing only) —13,000	47.00
Folding of 13,000 Credit Union Day Posters	13.00
CUNA Brief Letters—13,000	20.30
Postage on Mailing Proclamations, etc.	401.83
Certificates of Appreciation—4962.	14.90
Posters—13,000	235.20
CUNA Imprint—15,000 POP Leaflets	78.70
Certificates of Merit—1000	13.10
Letter—President Truman—600 ...	14.10
Imprinting Iowa League POP Leaflets—10,000	76.90
<hr/>	
	\$1,934.21

Credit to Expense—Checks Received	58.58
---	-------

TOTAL \$1,875.63

After all expenses were paid, a balance of \$2,205.10 remains for the POP Fund, to be used for a public relations program.

What is being done with this money? Mr. Leonard Nixon, Managing Director of the Connecticut Credit Union League, in his report to the CUNA Executive Committee says, "We recommend that a special POP Fund reserve be set up and that it not be used—until such time as a sizable fund is accumulated so that we can do a worthwhile job of promotion."

Credit Union people who contributed to the POP Fund want to see their money result in a really top-notch public relations program, it was pointed out. If such a program is attempted when the funds are too small, the program would not succeed. The POP Fund Reserve was set up to make sure that the contributions will be used in the most effective way, to promote the credit union movement. It is important to note that none of these funds will be used for expenses of promoting Credit Union Day this year—the National budget set aside \$2,500 specifically for this purpose.

Plans for the second annual Credit Union Day are being laid now, for Thursday, October 20. There is every indication that this year's celebration will be even bigger and better than last year's. Mr. Eikel, who is in charge of the arrangements, is now working on the details of the program, and credit union leaders will soon receive specific information about the plans.



June Organization Total Is 78

By W. B. Tenney

Assistant Director of Organization

JUNE was another good month for new credit union organization. The 78 reported by 28 states and provinces was 2 less than in May, but 14 more than last June and 15 greater than June, 1947. Leading leagues for the month were: Illinois, 10; Ontario, 8; California, 7; Texas, 6; Michigan, Ohio, Pennsylvania, 4 each. The June total brings the six months to date score to 495, as compared with 408 for the same months in 1948 and with 312 for the same months of 1947. We seem to be right on the pace for 1000 annual total. Leading leagues for the year to date are: Ontario, 47; California, 42; Texas, 33; Illinois, 31; New York, 30. Senior members of the one-or-more-each-month-club, California, New York, Ohio and Texas still hold their membership. Junior members are Florida, Illinois, Louisiana, Michigan and Pennsylvania. California now has 31 consecutive months to her credit.

1000 New Credit Union Drive

Two months of the new drive period (May 1, 1949 to April 30, 1950) have gone and our total is 158. The same months of the last drive produced 111, while May and June, 1947, totaled only 96. Just a little more effort and we will be right in line to hit the 1000 goal by April 30. Quotas have not yet been assigned the various leagues. Standings of the Districts as of June 30 were:

District	Quota	Organized	Per cent
Canadian	155	28	18
Central	150	27	18
Western	125	21	17
Southern	185	29	16
Eastern	165	26	16
Northeastern	115	14	12
Midwestern	105	13	12

Reports of the various leagues as of June 30 were:

CANADIAN DISTRICT

Alberta, 10; British Columbia, 0; Manitoba, 2; New Brunswick, 0; Newfoundland, 0; Nova Scotia, 0; Ontario, 13; Prince Edward Island, 0; Quebec, 0; Saskatchewan, 3.

NORTHEASTERN DISTRICT

Connecticut, 3; Maine, 0; Massachusetts, 3; New Hampshire, 0; New York, 7; Rhode Island, 1; Vermont, 0.

EASTERN DISTRICT

Delaware, 0; District of Columbia,

0; Maryland, 2; New Jersey, 4; Ohio, 5; Pennsylvania, 9; Virginia, 5; West Virginia, 1.

CENTRAL DISTRICT

Illinois, 15; Indiana, 3; Michigan, 9; Wisconsin, 0.

MIDWESTERN DISTRICT

Iowa, 1; Kansas, 4; Minnesota, 2; Missouri, 2; Nebraska, 3; North Dakota, 1; South Dakota, 0.

SOUTHERN DISTRICT

Alabama, 0; Arkansas, 0; British South America, 0; British West Indies, 0; Canal Zone, 0; Florida, 4; Georgia, 0; Kentucky, 4; Louisiana, 4; Mississippi, 0; North Carolina, 1; Oklahoma, 2; Puerto Rico, 1; South Carolina, 0; Tennessee, 1; Texas, 12.

WESTERN DISTRICT

Alaska, 0; Arizona, 0; California, 16; Colorado, 1; Hawaii, 1; Idaho, 0; Montana, 1; Nevada, 0; New Mexico, 0; Oregon, 1; Utah, 0; Washington, 1; Wyoming, 0.

Volunteer Organizers Contest

Activity in the Volunteer Organ-

izers Contest is picking up, both in number of entries and in number of credit unions reported. This is a very worthwhile program and we should have far more persons in the competition. Enter your name today and get busy. Standings of contestants as of June 30 were:

W. M. Richards, Ohio	4
F. M. Keinz, N.Y.	2
M. F. Gregory, Ill.	2
V. Porath, Penn.	2
W. Hinze, Mich.	1
M. H. Wideman, Md.	1
E. Shube, Penn.	none reported
S. Jackman, Texas	none reported
D. MacKinnon, Mich.	none reported
E. Holder, Tenn.	none reported
A. Grant, Ont.	none reported

The contest period is from March 1, 1949 to February 28, 1950. The \$100 prize will be awarded to the person who organizes the greatest number of credit unions within the contest period. Duplicate prizes will be awarded in event of tie. To enter, follow these simple rules:

1. Write Mr. T. W. Doig, Managing Director, Credit Union National Association, Madison 1, Wisconsin, stating your intention of entering the contest and listing all credit unions you have organized since March 1, 1949. Ask, also, for the free Volunteer Organizer's Kit of helpful material.

2. Soon after the organization of each new credit union, advise Mr. Doig of that fact.

3. On or before March 31, 1950 send Mr. Doig a complete list of all credit unions you have organized within the contest period.

William Cyr Dies

Member of Executive Committee

J. WILLIAM CYR, the newly elected vice-president from the North-Eastern district of CUNA, died suddenly from a heart attack in his home at Somerset Centre, Massachusetts. As vice-president elect at the Houston meeting of the National Directors in May, he attended only the one meeting of the Executive Committee.

Mr. Cyr was treasurer-manager of St. Ann's Federal Credit Union, which he helped to organize in 1936, and he aided its growth to make it the largest parish credit union in the country with 2700 members.

Mr. Cyr organized 15 state and



federal chartered credit unions. He served as president of the Massachusetts Officers Credit Union; as president of the Somerset Community Credit Union; as president of the Massachusetts CUNA Association; and as national director from his state.

Mr. Cyr was a member of the Thibodeau College faculty for 20 years, and became the head of this college when he purchased it about 3 years ago.

Surviving Mr. Cyr are his wife, one son, and 3 daughters.



Founders Club

New Members

Since our last report the following new members have been admitted to the Founders' Club:

Mr. Wallace J. Davis, Canton Postal Employees Credit Union, Canton, Ohio

Mr. E. E. McElvain, Spokane Teachers Credit Union, Spokane, Washington

Mr. Roy E. Jensen, San Benito Veterans Credit Union, San Benito, California

Mr. A. L. Domike, Santa Monica Credit Union, Santa Monica, California

Mr. Carroll Harpham, Pasadena Municipal Employees Federal Credit Union

Mrs. Isabelle Royal, Missouri Pacific Employees Credit Union, St. Louis, Missouri

Mr. Chester Wilson, K.C.K. Postal Federal Credit Union, Kansas City, Kansas

Rev. M. E. Francis, St. Dunstan's Credit Union, Charlottetown, P.E.I.

Mr. Harry M. Daley, Pender Credit Union, St. John, New Brunswick

Mr. Arthur L. Ivison, Syracuse District Socony Credit Union, Syracuse, New York

Mr. Harry E. Smith, Surrey Credit Union, Cloverdale, B. C.

Mr. Howard J. Fuller, Northwest Engineering Credit Union, Green Bay, Wisconsin

Mr. A. M. Janssen, W.S.R. Credit Union, Green Bay, Wisconsin

Mr. E. C. Cunningham, O.R.N.L. Employees Federal Credit Union, Oak Ridge, Tennessee

Mr. Paul Henry, Saginaw Telephone Employees Credit Union, Traverse City, Michigan

Mr. Ralph Noss, Pittsburgh Screw & Bolt Graham Works Federal Credit Union, Pittsburgh, Pennsylvania

Mr. H. Lee Hobson, Wichita FCA Federal Credit Union, Wichita, Kansas

Mr. A. M. Purdie, N. S. & T. Credit Union, St. Catharines, Ontario

Mr. L. F. Dagenais, LFM Credit Union, Atchison, Kansas

They All Endorse Credit Unions

FEW ORGANIZATIONS or causes have received the approval of so many representative groups of our society as have credit unions.

One more demonstration of that fact, and a most notable one, is the new leaflet "They All Endorse Credit Unions," just published by the Cuna Supply Cooperative. (See pages 12 and 13.) Democrats and Republicans. Liberals and conservatives. Business men and professional men. Agriculture and Labor. Church and State. Leaders in all fields are represented, and are generous in their expressions of appreciation of the benefits credit unions render and can render their people.

The large three-fold, eight page, well illustrated leaflet sells for \$2.30 per 100, less 20% to member credit unions in the United States.

The circular gives the opinions of people in a position to observe the varied benefits to credit union members in the community, and the sponsoring organization. It was designed to interest all persons in a position to sponsor or encourage the organization of credit unions. It may be used: to arouse appreciation and willingness of leaders in a community to arrange a meeting (small or

Cover Picture

In between sessions of the CUNA Quarterly meeting in Chicago last February, Marion Gregory, the present treasurer of the Credit Union National Association, William Pratt, the vice-president of the CUNA Mutual Insurance Society, and Mat Potiger as a member of the CUNA Supply Cooperative Administrative Committee—are shown in a corner of the temporary office of CUNA.

large) of people who would likely appreciate a chance to develop self-help thrift and credit facilities; to increase understanding and cooperation of those leaders in a position to cooperate and to contribute to the success of our present credit unions; to further increase the member's estimation of participation in, and readiness to talk about our credit unions.



Earl F. Gaucher

Dean Eckert

Two New Field Men in Michigan

THE MICHIGAN CREDIT UNION LEAGUE have added two additional representatives Earl F. Gaucher and Dean Eckert.

Mr. Gaucher will serve as assistant managing-director. He became a member of the Kerr Employees Credit Union in 1938 thru a joint account with his wife. Later he became a charter member of the Holley Federal Credit Union in Detroit and served as its treasurer since 1946 until accepting his present position. Mr. Gaucher was born in Detroit, is married and has a son 5 years old and a daughter of 7. Before taking his present position, he worked as a machinist in the experimental aircraft division of the Holley Aircraft Corporation.

Mr. Eckert was born in Indiana. His undergraduate work was in Detroit, and he received a B.A. degree from Michigan State College. Mr. Eckert obtained his first credit union experience thru his father, the treasurer of the Detroit Wabash Terminal Credit Union for the past 16 years. Other business experience of Mr. Eckert was an assistant-manager and manager of an industrial cafeteria, and as assistant-manager of Rheumes Restaurants in Detroit. He is married and has a daughter 2½ years old.

Figures Don't Lie

Judge: "What is your age, Madam?"

Witness: "Twenty-four years and some months."

Judge: "How many months?"

Witness: "A hundred and twenty."

They all Endorse Credit Unions

HARRY TRUMAN

President of the United States

Credit unions serve the people in the best American tradition. Membership-owned-and-operated, they help their members solve their own money problems. By encouraging thrift and the wise use of credit they contribute to the welfare not only of their own groups, but also of the whole nation.

I am particularly proud of the fine records made by the more than 5,600 credit unions chartered by the Federal Government since the Federal Credit Union Act was signed by President Roosevelt in 1934.

LOUIS S. ST. LAURENT

Prime Minister of Canada

Credit unions represent a successful application of the co-operative principle to the improvement of the material welfare of large numbers of our people.

THOMAS E. DEWEY

Governor, State of New York

Organizations which perform an unselfish purpose in helping people to save and to finance their activities wisely fulfill a real need in our community and merit commendation. Credit unions have shown unusual vitality in New York State.

SAMUEL SPECTOR

President, Bonafide Mills

I am a great believer in credit unions. The existence of the credit union has had no adverse effects; to the contrary, it has been helpful to both the management and employees of the company and has brought financial stability to the employees.

JOHN HOLMES

President, Swift and Company

We like the idea of credit unions of our employees. We like the lessons of frugality and thrift they teach and the democratic manner in which they are taught. We think these things make for happier employees and more efficient ones. The feeling of security and peace of mind of a nest egg that comes with thrift is a bulwark against much unhappiness in our family living.

JAMES L. KRAFT

*Chairman of the Board,
Kraft Food Company*

It is my opinion that the twelve credit unions operated by Kraft Foods Company employees have been of material benefit to both the employees and the Company. These credit unions have had the active interest and assistance of the officers of this company since their inception.

They have been a source of help to employees in times of distress and also tend to promote the habit of thrift.

Unquestionably, the credit union has had an excellent effect upon employee morale.

DWIGHT J. THOMSON

*Director of Industrial and
Public Relations,
Champion Paper and Fibre Company*

When our credit union was organized ten years ago, we little realized the important part it was to play in our industrial relations program. . . . We wholeheartedly endorse its operation.

ELEANOR ROOSEVELT

*United States Delegate
to the United Nations*

I have long been familiar with the credit unions and feel they are an important factor in any community.

Credit unions
major tool to help
problems.

In Congress I
supported the full
unions, so that
have credit union
unions might be
Given the chance
credit unions will
in large measure
the financial ex-
help their membe
money.

President

We have a ve
the day it was o
supported it with
vigor I could co
a charter member
loans, as a com
union was organi
asked to dole out
salary has ever b
been fired for be
been made happ

To me credit
step in the dire
groping, however
of cooperation
credit union mo
thing which is n

My personal
has been of ben
management to
frankly very en
and endeavor to

Credit Unions help People Solve

SAMUEL McCREA CAVERT

*General Secretary,
the Federal Council of the
Churches of Christ in America*

Credit unions have clearly proved themselves to be an important method of mutual helpfulness among many groups of people. They deserve our grateful support.

WILLIAM T. MULLOY

*Bishop of Covington,
Past President,
National Catholic Rural Life Conference*

Credit unions are agencies which help make the common man the master of his economic destiny.

WRIGHT PATMAN

Congressman from Texas

Credit unions have long impressed me as a tool to help people solve their own financial problems.

Congress I have continuously and warmly urged the full encouragement of federal credit unions, so that everyone in our country might have credit union service, and so that our credit unions might be given full opportunities to serve. The chance and encouragement I know credit unions will become, as they have already begun to become, a true bulwark against financial exploitation of the people. They help their members get the most good from their money.

R. D. ZEVIN

President, World Publishing Company

I have a very successful credit union. Since it was organized to this very day, I have urged it with all the enthusiasm — all the I could command. I have supported it as charter member, as a borrower, as a co-signer on loans, as a company executive. Since the credit union was organized the company has never been asked to dole out any loans or advances, no one's salary has ever been garnisheed, no one has ever been fired for being in debt. Many hundreds have made happier.

For me credit unionism is a way of life. It is a way of living in the direction to which all mankind is moving, however blindly, and slowly. The spirit of cooperation which prevails throughout the credit union movement is precisely the sort of spirit which is needed.

M. E. CODY

*General Manager,
The Black-Clawson Company*

My personal feeling is that our credit union has been of benefit to both the employees and the management to a very great extent. . . . We are extremely very enthusiastic about the credit union endeavor to encourage it in every way possible.

ABRAM VOSSEN GOODMAN

*Chairman,
Joint Commission of Social Justice
Union of American Hebrew Congregations*

The Five Books of Moses tell us that if our brother be waxen poor we should not ill-use or exploit him when he turns to us for aid. Such a religious ideal is the foundation of the credit unions. Without thought of high interest return, they help their members requiring financial assistance in a brotherly spirit. This is an ethical program which contributes to the coming of the Kingdom of God.

WILLIAM GREEN

President, American Federation of Labor

Credit union services are of particular value to union members because they give protection against loan sharks, furnish credit at low cost and encourage savings at a good rate of interest.

PHILIP MURRAY

*President,
Congress of Industrial Organizations*

The credit union movement in the United States and other countries has made a significant contribution to the welfare of working people.

JAMES D. PATTON

President, National Farmers Union

The credit union movement in the United States is one of the outstanding self-help developments of our generation. The credit union movement has given new life and vigor and certainly new hope to millions of people who otherwise would never come to feel they could do things for themselves and that they had a part in the total scheme of things.

A. S. GOSS

Master of the National Grange

In these days of political promises of Government aid for every conceivable purpose, it is reassuring to note the progress made by the self-help credit union movement. While others are crying for Government help, some millions of our citizens of moderate means and modest income are accepting full responsibility for citizenship, and are prudently providing for the future through these savings and mutual aid institutions. As long as this spirit exists among a majority of our people, we need have no fear for the future of democracy.

I. H. HULL

*President, Indiana Farm Bureau
Cooperative Association*

Indiana credit unions are a valuable addition to our structure. They do help to solve the credit problem. Intangible but real services are the training of children and adults in thrift and in sound financial planning.

GEORGE M. HARRISON

*Grand President, Brotherhood of
Railway and Steamship Clerks*

I receive uniformly good reports of the helpfulness of the credit unions that have been formed by members of the Brotherhood of Railway Clerks.

FRANK W. HUBBARD

*Director, Research Division,
National Education Association
of the United States*

The credit union is a friendly, useful service par excellence. It extends a helping hand in emergencies; it supports the urge for advance professional training; it builds cultural interests; it makes dreams into realities; it provides opportunities for practicing democracy.

JERRY VOORHIS

*Executive Secretary,
The Cooperative League of the U.S.A.*

The credit unions of the Western Hemisphere, with their five million members, stand today as monuments to the ability of the people to manage their own money and to establish, by their own thrift and wise business management, a basic financial security for themselves and for their families.

I cannot state too strongly my endorsement of the credit union movement. It has lifted the burden of financial anxiety from millions of American families, and will, through the years, serve as a bulwark of stability and a center of hope for our entire country.

Give their own Financial Problems



Idea

Exchange

Here are new and tried publicity ideas. Ideas in the mind of the member is the first step to his participation in the credit union. "Credit union know-how" will lead him to more opportunity and happiness.

THE BRIDGE suggests:

1. that you mark and USE the ideas which attract you.
2. that you adapt them to conversation, pay inserts, circulars, blotters, posters, and house organs.
3. that illustrations be reproduced by tracing, photo-offset, or photo engraving.

4. that mats of Idea Exchange Features may be purchased for 30c each from THE BRIDGE for printing uses. (See below.)

5. that each release contain full directions as to where and when credit union service is available.

Please send copies of all your publicity material to THE BRIDGE. Your participation in the Idea Exchange is helpful to other credit unions and sincerely appreciated.

Mats Available

Mats, from which cuts for reproduction may be economically made, are available for Idea Exchange features when so indicated beneath the feature. These cost 30 cents each. Orders should be sent, and checks made payable to THE BRIDGE, Madison 1, Wisconsin.

—i.e.—

I'm Glad You Called

You say you need to borrow some money! Well now, that's fine, and I'm mighty glad you called because it gives me a chance to tell you that:

1. We will be open daily during the summer from 12 to 5 just as during the school year.
2. We will have money available to meet all loan needs of all school employees during the summer.
3. Loans may be obtained for automobiles, vacations, summer school supplies, furniture and household appliances, medical expenses, consolidation of debts, living expenses, and all other personal loans.

4. We provide the lowest cost, most confidential, most liberal and helpful loan service available to school employees because we are an organization of such employees.

—PUT'N TAKE, Compton District Schools Fed. Credit Union, Compton, California.

—i.e.—

Easy Money

You heard about the Scotchman? The one who cheated himself at solitaire and saved his winnings for his old age? There's an easier way to get ahead financially.

When you borrow from your Credit Union, each interest payment is less than the one before. That means constantly reducing total payments.

Now here's the idea—the next time you make a loan (or maybe you can fix it up for the one you now have on the books) just find out the total of the first payment—principal, interest, and whatever else there may be.

Then add a few cents (or dollars) to that total—so you get a good round figure every time until the note is paid off.

The treasurer will put that constantly increasing "extra" on your shares account, and you can go strutting around like the other fellows with money in the bank.—Jackpot.

Buy ahead..
WINTER FUEL



your CREDIT UNION will help you

August Poster

When winter comes will YOUR members be prepared? This bright, humorous poster will help get the right answer to that annual question.

Single posters are 25c prepaid, additional posters in same mailing 12½c each—all less 20% to member credit unions in U. S. Subscriptions for 12 monthly posters, 10 times above prices.

(Mats available; see column one.)



For
GET-AHEAD CASH
see your CREDIT UNION

... THRIFT AND LOAN SERVICE

September Poster

Remind your members that money is a success-building tool which they can get from their credit union.

Single posters are 25c prepaid; additional posters in same mailing 12½c each—all less 20% to member credit unions in U. S. Subscriptions for 12 monthly posters, 10 times above prices.

(Mats available; see column one)

Value In Thrift

Robert Burns, the Scotch poet, summed up the advantage of being financially independent thus:

Not for to hide in a hedge,
Not for a train attendant,
But for the glorious privilege
Of being independent.

It must be conceded that thrift is the true basis of financial independence, and thrift means saving, or better, as Theodore Roosevelt said: "Thrift is merely hard-headed common sense applied to spending."

The American Society for Thrift secured this best definition of thrift from a Pennsylvania school girl: "Thrift is the management of your affairs in such a manner that the value of your possessions is constantly increasing."

If one becomes interested in saving, the whole scheme of life becomes much easier.—*Enka Credit Union, Enka, North Carolina.*

—i.e.—

Financial Aid—Good or Bad

To borrow wisely is good common sense but to borrow unwisely is folly and only leads to the eventual destruction of one's credit and good standing in the community. Your credit union was founded on the principal that a wage earner not having a large estate should nevertheless have a source of credit available to him without the necessity of paying a premium rate of interest for the privilege.

Do you know that before your credit union was organized many of our members were paying a rate of interest varying from 36% to as high as 83% for the privilege of borrowing money from lending agencies? It is also a fact that many of our members are right now paying from 18% to as high as 42% for money they have borrowed elsewhere than their credit union, we feel quite badly about this condition, we feel that somewhere in our duties to members we have failed them, maybe we have taken too much for granted in thinking every member of the department as well as his family knows of the credit union and how well it can serve them.

Your credit union realizes that above all else, privacy must be paramount in its every transaction with members. We will respect your every confidence and trust. Unless you tell others of your business with us, it is not known. Positively no informa-

tion is given to any person over the telephone or until the member identifies himself by presenting his or her pass book. Please bring your pass book with you whenever calling at the credit union office. This is important.—*CRED-I-FACTS of the Cleveland Police Credit Union.*

—i.e.—

Evidence of Achievement


The MUNICIPAL CHATTER bulletin dated March 1, 1947, carried the following item. "The Lubbock City Federal Credit Union now has more than \$5,500 in share accounts, with approximately one-half that amount out on loans at the rate of 1% per month on the unpaid balance. Supplies necessary to setting up your Credit Union will soon be paid for and then the earnings over the nominal expenses (which already amounts to \$20 per month) will go to the shareholders."

Today that same bit of information would read something like this. "The Lubbock City Federal Credit Union now has more than \$32,000 in share accounts with approximately \$38,000 out on loans at 1% per month on the unpaid balance. All share and borrower's insurance, supplies, equipment, and bookkeeping expense are now being paid each month with a substantial net income to shareholders. Our approximate gross income is now \$370."


You will read this and marvel at the expansion, six times in shares and fifteen times in loans, in this short period. This is only a small part of the story; there is no way to value the price of aid given to many members—aid to buy needed household furnishings, pay doctor and hospital bills, pay grocery bills, consolidate debts, and even aided some in the buying of their homes.—*MUNICIPAL CHATTER, Lubbock, Texas.*

Furnace Oil is precious !

Stop heating the neighborhood !



Insulate your home now !



Can't afford it ?

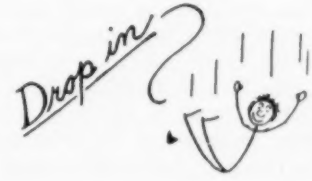
Atlantic Employee ? — Lucky you !

You have a Credit Union !

**ATLANTIC
EMPLOYEES'
CREDIT UNION**

FEDERAL 1310

Drop in ?



Something Extra

Here is a concrete example of some of the "hidden" benefits which credit union members enjoy.

Several months ago a member came into our office to withdraw \$750 from a credit balance of \$850 which he had in his savings account. In order to protect his dividends, and his savings for his wife—who was a joint member in the account—in case of his death or total disability, we advised him to leave his savings intact and to make a loan from the credit union for the \$750, pledging his shares as collateral. To this he agreed and the loan was granted.

Recently, this member died suddenly from a heart attack after having made only two payments of \$63. each, or \$126. against the loan, leaving an unpaid balance of \$624. on the date of his decease. The credit union automatically insures the life of every member to cover any unpaid loan balance; in this case therefore, the credit union will receive a check from the Cuna Mutual Insurance Society for the \$624. in payment of the loan in full. His wife received the entire amount to the credit in their joint account, which included the original \$850 which they had to their credit on the day the loan was made, plus approximately an additional \$100, which was accumulated in the savings account from payroll deductions—intended to be applied in liquidation of the loan, plus forced savings of 1 per cent per month of the face amount of the loan—all told almost \$1000.—PANAIR CREDIT UNION NEWS, Miami, Florida.

—i.e.—

Our Business

It seems we are finally reaching those members whom we most desire to reach, however, not all of them. We will keep right on insisting that we can and will take care of your every financial need at a much lower rate of interest. If you have a loan elsewhere at the present time, then we want to prove that we can save money for you here at your credit union. Our only purpose is to teach our members how to save money, how to have a substantial cash reserve for those emergencies that now requires borrowing.

If you were to transfer your present loan to your credit union you would save about one half of what you now pay in interest charges and then if you were to place this savings in interest charges into your credit union share account, you would, in a very short time have a sizable cash

balance in your savings. It is a fact that the actual starting of a savings account is a matter of pride that seems to grow and grow and grow.

Giving you this proper start is our business, won't you please come in and let us give you the facts of what we can do for you we want to help you start this savings "share" account NOW!—CRED-I-FACTS, Cleveland Police Credit Union.

—i.e.—

Crying for the New Look

Spring is coming—is your house crying for the new look? Brush those tears from its eyes by dropping around and arranging a loan. Our Credit Union does not promise to repay your loan for you while you are alive, but

the payments are much more painless than, shall we say, your income tax.—Toronto Telephone Employees Credit Union, Toronto, Ontario.

—i.e.—

Three Years of Progress

April 29 marks the third anniversary of your Ozalid Credit Union. In these three years of helping Ozalid employees, we have loaned over \$30,000 to our members at a low rate of interest.

PROMOTES THRIFT

The primary object of the credit Union is to promote thrift among its members. The growth of its member share accounts indicates clearly the growth of your credit Union.

The total share balances of our

Decatur Wabash Credit Union

DECATUR, ILLINOIS

Statement of Condition as of April 1, 1949

Compared with April 1, 1948

ASSETS			LIABILITIES		
	1949	1948		1949	1948
Loans -----	\$2,291,804.35	\$1,897,501.34	Shares ----	\$3,790,883.71	\$3,248,438.04
Govt. Bonds	1,403,295.00	1,298,695.00	Guar. Fund	131,227.51	103,184.21
Cash -----	304,912.57	221,066.38	Undivided		
			Earnings _	15,013.75	15,013.75
			Contingency		
			Reserve --	30,234.65	22,294.09
			Surplus ---	32,652.30	28,332.63
TOTAL -----	\$4,000,011.92	\$3,417,262.72	TOTAL -----	\$4,000,011.92	\$3,417,262.72

	1949	1948
AVERAGE SHARES PER MEMBER	\$576.91	\$508.42
AVERAGE LOAN PER MEMBER	\$528.31	\$440.56
NUMBER OF MEMBERS	6,571	6,388
NUMBER OF LOANS	4,661	4,624
NUMBER OF BORROWERS	4,338	4,307
NUMBER OF LOANS to date, 67,871; AMOUNT	\$25,294,489.00	

PROGRESS

DATE	ASSETS	NO. MEMB.	Avg Share Per Memb.	AVG. LOAN
May 9, 1927	\$ 26.25	15	\$	\$
Nov. 1, 1935	50,000.00	831	50.88	124.23
Mar. 1, 1937	100,000.00	1,062	85.97	154.06
Jan. 1, 1939	250,000.00	1,743	130.13	226.74
July 1, 1940	500,000.00	2,794	168.92	267.67
Sept. 1, 1941	750,000.00	3,561	195.37	299.24
Nov. 1, 1942	1,000,000.00	4,128	227.08	243.55
Sept. 1, 1945	2,000,000.00	5,266	360.83	283.28
June 1, 1947	3,000,000.00	6,235	455.56	375.93
April 1, 1949	4,000,000.00	6,571	576.91	528.31

FACTORS CONTRIBUTING

Payroll deduction started November, 1934
Loan repayment chart started March, 1937
Loan Insurance adopted March, 1937
Life Savings Insurance adopted June, 1938

The Decatur Wabash Credit Union (Decatur, Illinois) issued the above progress report to its members in a fold over leaflet.

members for the past three years has been \$1,687 for 1947, \$5,630.81 in 1948, and \$14,000 in 1949.

In the past year our members have nearly tripled their savings.

Many are saving for specific things such as homes, automobiles, clothing, vacations, and Christmas. Others are investing for future contingencies. Our rate of interest was 2.4% in 1947 (our first full year of operation), and 3% in 1948. It is anticipated that 3% will also be paid in 1949.

You are cordially invited to join now.

NO WAITING PERIOD

Membership in the credit union is one benefit available to you immediately when you are employed by Ozalid—there is no waiting period. Here is all you have to do to join:

1. Sign an application card. (Have your wife or husband sign with you if you desire a joint account.)

2. Pay a 25c fee, and agree to buy one \$5.00 share which may be paid immediately, or in installments.

That is all there is to it! If you desire payroll deductions for regular savings, your treasurer will arrange that for you. The minimum is 25c per month; the maximum \$1,500.00 per month. You can save as much as you desire.

Loans are made for any provident or productive purpose on approval of the Credit Committee. The interest rate is one percent per month on the unpaid balance and your life is insured free for any unpaid balance due on a loan. Can you beat that?—OZANEWS, Johnson City, New York.

—i.e.—

Wise Men Say

☐ It's an appropriate coincidence that the word "American" ends in "I can."

☐ You must save while you have the capacity to earn.

☐ The widow's mite: if everyone in the U.S. would give a penny to charity their gift would total \$1,400,000.

☐ There is no limit to what good a man can do, as long as he don't care who gets credit for it.—Andrews.

☐ Some folks are like static—Only good for interference.

☐ A problem is just an opportunity in work clothes.

☐ Like roosters some men believe the sun rises because they crow.

☐ A budget is a method of worrying before you spend instead of afterward.

☐ There are always two classes of

people in the world: Those who live to get . . . they are the ones who cause wars and poverty; and those who live to give . . . they are those who bring peace and prosperity.

☐ A sense of humor will reduce your troubles to their proper proportions.

☐ God does not ask about our ability or inability but our availability.

☐ The only way to get more in this world is to do more with the quota of ability allotted to you.

☐ A man may fall several times but he isn't a failure until he complains that somebody pushed him.

—i.e.—

Vacation Money

Don't pass up that restful vacation you planned because of a shortage of ready money. Your 12th floor Credit Union, operated by your fellow employees to meet just such emergencies, will help you out at comparatively small cost. In order to save time, call Treasurer Carl Bow-

man (2366) for appointment.—THE FIELD GLASS, The Marshall Field Employees Credit Union of Chicago.

—i.e.—

The Credit Union Door

LEADS TO SAVINGS

For possible sickness and medical expenses.

For vacations.

For better education for the children.

For insurance and Taxes.

For Xmas, down at the bottom of the calendar.

LEADS TO CREDIT

For cash purchases—to save heavy installment costs.

For financing repairs to the house.

For advance buying of fuel.

For that handsome new car.

For the thousand demands for money we get from every side.—Tropical Telco Fed. Credit Union, Miami, Florida.

BACK TO SCHOOL!

*Need money to help
educate your son or
daughter?*

LOANS AVAILABLE FOR—

Tuition

Clothing

Books and Supplies

—SEE YOUR CREDIT UNION!

ATLANTIC EMPLOYEES' FEDERAL CREDIT UNION



Management Evaluates the Credit Union

By E. E. DeFreitas

PROGRESSIVE companies encourage and assist in the forming of Credit Unions within their organizations. You as officers and members of Credit Unions should see that as many people as possible are given the opportunity to participate in the advantages which they offer.

We have many fine plans in Procter & Gamble such as Credit Union, Guaranteed Employment, Disability Benefit, Profit Sharing and others. I feel that if any of these were to be discontinued that the Credit Union would be close to the bottom of the list.

Why does management take this view of Credit Unions? Well, for many reasons, but I believe the most important one is that they contribute

a great deal towards the improvement in employer-employee relations, because first they encourage thrift; second, they provide adequate credit, and third, they teach employees the value of money while operating their own business.

Let's look at the first one—thrift. We have six hundred employees at our plant and four hundred have in shares about \$90,000. The use of payroll deduction has contributed greatly to this. A few years ago the matter of payroll deductions was discussed at length and some people thought this would not encourage thrift. They thought that it was too automatic and called for no special effort on the part of the saver which would encourage thrift, such as digging into his pocket, locating his pass book and making a trip to the treas-

urer. Well, you know, all of us have become so used to having taken from our checks so many things that we don't want to be bothered. For instance, in our company we have Profit Sharing, Disability Benefit, F. O. A. I., State Unemployment, Community Chest and many others.

How about the second reason—adequate credit. For the average working man, financial assistance at reasonable rates has always been a problem. What rate was paid for money depended a great deal on how badly it was needed. You and I know that rates running into several hundred per cent have been charged.

Under the Federal Credit Union Act, a maximum of 1% per month is charged and in many cases this is less than that. In our own Credit Union, $\frac{3}{4}$ of 1% is the rate. This rate



Here is the front and the back of the popular Cuna pocket calendar. Actual size is $2\frac{1}{4}$ by $3\frac{1}{2}$ inches. Notice space above calendar for your credit union's imprint.

NOW'S WHEN

to start your Credit Union get-ahead plan:

1. Add to your Credit Union share account first thing every pay day.
2. When you find it wise to borrow, borrow from your Credit Union. Credit Union loans are obtained quickly and confidentially—cost less.

Your Credit Union is here to serve you.

And now's when—

to order your 1950 supply of these prized "year-long credit union reminders." It's a fact that last year we couldn't fill all the orders.

Price—\$1.25 per 100, less 20% to member credit unions in U. S. For imprinting (about 4 lines of type above calendar) add the following amounts (net): For 100, \$2.10; for 250, \$2.50; for 500, \$2.95; for 1,000, \$4.10; for 2,000, \$5.60; for 3,000, \$7.65; for 5,000, \$11.

Order from your league if it has a supply department; otherwise from

CUNA SUPPLY COOPERATIVE

Madison 1, Wisconsin—In Canada: 436 Lister Building, Hamilton, Ont.

is charged regardless of how badly assistance is needed. The basis of the loan is only whether it is for a provident purpose.

In a great number of cases, Credit Unions provide loan insurance to cover death or disability so that if a borrower dies or is disabled the loan is automatically paid. I know that you officers have a real feeling of satisfaction when you reach in to your files and pull out the note of John Doe who has just recently passed away and mark "paid in full" across its face and present it to Mrs. Doe. Think of the lift the widow receives because the fellow employees of her late husband were thoughtful enough to provide for this contingency.

If any member becomes temporarily sick or disabled, satisfactory arrangements can be made to postpone his regular payments. There is never the threat of repossession of his car, piano, etc.

In ordinary times cash which can be readily obtained can be used to make profitable purchases of many items and this is also a very valuable function of adequate credit.

Now the final reason. It teaches the employees the value of money and how to operate their business. As you know, Credit Unions are operated exclusively by the members through a Board of Directors, Credit Committee and Supervisory Committee. Annually the government makes an audit of all the operations.

Of course, the directors formulate and operate the Credit Unions making all important decisions not delegated to the members.

The Credit Committee, composed of employees from various parts of the plant, passes on loans. This experience is invaluable and gives the members an insight into the financial affairs of their fellow workmen, which enables them to pass on loan applications presented to them.

The Supervisory Committee rules over the financial records of the institution and do a real service to the members. They are directly responsible to the membership.

I know that you all agree that these responsibilities contribute a great deal towards the improvement and development of employees.

To Summarize—Management believes that Credit Unions contribute a great deal towards better employ-

er-employee relations by: (1) encouraging thrift; (2) providing adequate credit; and (3) teaching employees the value of money.

Credit Unions have had a phenomenal growth during the past twenty years, but they have hardly scratched the surface. Many, many groups still need the advantages offered by Credit Unions.

You as officers and directors of Credit Unions have the responsibility of seeing that as many as possible in this community are given the opportunity of being members of Credit Unions. I know that you will dis-

charge this responsibility to the best of your ability.—Credit Union Digest.

Five Minutes

THE STORY OF CREATION can be read in less than five minutes. The Gettysburg speech in three. I have often wondered what the average person would do if given five minutes' warning of sudden death, to say in that five minutes all that it had meant to us. I think every telephone booth would be occupied by people trying to call other people to stammer that they loved them.—ANVIL CHORUS.

Your credit union funds are protected—here, there, everywhere—under the broad, "on premises" insurance feature of Blanket Bond (Standard Form No. 23).

This particular coverage feature of the Blanket Bond will protect your organization's money or securities in your own office or in any other office (except a U. S. post office) where the funds may be in the usual course of business. This means in your home town or anywhere else in the United States. There is no need to accept burglary or robbery policies which limit the protection to your safe or to your immediate office.

Get in touch today with the CUNA Insurance Research division for more detailed information on how the "on premises" feature and many other features of Standard Form No. 23 will fit your credit union.

Mr. DeFreitas is manager of Procter & Gamble Co., Long Beach plant and first treasurer of Procter & Gamble Emp. Fed. Credit Union of Long Beach. This speech was delivered to the Long Beach Chapter at the Credit Union Day dinner.

August, 1949

Lumbermens MUTUAL CASUALTY COMPANY

Operating in New York State as (American) Lumbermens Mutual Casualty Company of Illinois
James S. Kemper, chairman H. G. Kemper, president Chicago 140



Edward Shanney Dies

EDWARD SHANNEY, a member of the first Executive Committee of the Credit Union National Association passed away in June. Mr. Shanney was also a member of the CUNA Mutual Insurance Society board of directors from its inception in 1935 until May, 1948, and served as its president from 1943 to 1946. Mr. Shanney was one of the original incorporators of the Telephone Workers Credit Union in Boston in 1917. He became its president and manager in April, 1931. He also was an original incorporator of the Massachusetts Raiffeisen Association which later became the Massachusetts CUNA Association, and served as its president from 1936 to 1940.

Moses C. Davis, president of the CUNA Mutual Insurance Society, writes the following comments of Mr. Shanney:

"When Ed was a member of the board of directors of the Cuna Mutual Insurance Society, and especially when he was President, he inspired us with a lovable personality and the faith which was so essential to the success of the Society; faith in the ideal that in the Brotherhood of Man may be found a golden key to service which opens the door to happiness and better living.

"Ed had no patience with an inactive life. The goodness in his kind and gentle nature radiated tremendous magnetic powers and influence which would always break any deadlock in our collective opinions and bring our problems to more peaceful waters.

"It has been a sacred privilege to have spent so many, many happy hours with Ed. Perhaps, walking along a strange street in a strange city, listening to his reasoning about

living and dying. Ed believed that death is a continuation of life; he had no fear, because he had no fear of life, but loved it. It seems that I can remember his saying, "It was not always so. Once fear was strong upon me throughout the day, and in closing my eyes it rested upon me. For I had no faith in my own strength, my worldly knowledge. The world and fate, what could I do to conquer them? What power did I have to protect myself against their hurt?"

"And, so when disasters came and suffering had to be endured, he had no balm to soothe him until experience taught him many things, the greatest of which was faith in goodness, a confidence in the belief that the real life is the life of the spirit, which is immortal and against which the world and fate have no command. And when he learned this and the assurance of it beat strong in his heart, he was no longer afraid of either living or dying.

"If Ed could speak to us today, I'm

sure he would say: "Take comfort from the poem by Myrtle Vorst Sheppard:

If death be only half as sweet
As life,
I will have no fear,
Nor will I ask my friends to weep;
But quietly go, like melting snow
Upon a mountain's steep,
Grey height.
Or wafted gently on a breeze,
I'll drift away among the trees,
Like lovers' laughter
Echoing down a lane.
Or I will follow, willingly,
The soft spring rain
Around the river's bend.
I'll go quietly as robins
At summer's end,
If death be only half as sweet
As life,
I will not fear to go,
I love life so!"


"We do not weep at the setting of the sun. We see its beauty fade and sigh: "Ah, but tomorrow comes another day."

Little Boy Blue
Come blow your horn
And warn of impending disaster
If you're not saving now
You had better learn how
For the years slip by faster and faster

IT'S LATER THAN YOU THINK

SEE YOUR CREDIT UNION TREASURER

TODAY



Form C-100
PRINTED IN U.S.A.

LITTLE BOY BLUE

Mother Goose Credit Union Booster

Boy Blue is the seventh Mother Goose star to give credit unions a boost in this popular series of 12 leaflets. All are colorful, easy to look at, easy to read. And they cost so little you can well afford to broadcast a new one each month.

Each leaflet is a 2¾ by 5½ inches. Various colors on contrasting papers. 35c per 100 less 20% to member credit unions in U. S.

Order from your credit union league if it has a supply department; otherwise from

CUNA SUPPLY COOPERATIVE

Madison 1, Wisconsin—In Canada: 436 Lister Building, Hamilton, Ont.

Some reasons why the National Unit System is preferred by Credit Unions...

It speeds service—handles share payments, share withdrawals, or loans in a matter of seconds, and at any window.

It posts the member's record, ledger card, and journal in a single operation with machine-printed, original, identical figures—and forces the posting of dividend on member's record.

It eliminates all back-office and after-hours posting—and provides immediate cash balancing figures for cashiers at end of day.

It provides a complete treasurer's report at the end of the day—and materially reduces auditing time and expense.

There are many more reasons why this machine is a good investment. Ask your local National representative for a demonstration. Or, write to The National Cash Register Company, Dayton 9, Ohio.



National
ACCOUNTING MACHINES
CASH REGISTERS • ADDING MACHINES

THE NATIONAL CASH REGISTER COMPANY

August, 1949

Retirement Benefits Opened To Federal CU Employees

CLAUDE R. ORCHARD, Director of the Bureau of Federal Credit Unions, announced a regulation to permit Federal Credit Unions to participate in retirement plans not administered by such credit unions.

The regulation reads, "Federal credit unions may make provision for reasonable retirement benefits for employees and for officers who are compensated in conformance with the Federal Credit Union Act and the Federal credit union's bylaws, but no Federal credit union shall undertake to administer a retirement plan."

While the Bureau will not approve any plan, it will be glad to offer comments or suggestions on proposed arrangements on request of a Federal credit union.

A Federal credit union may participate in the CUNA Retirement Savings Fund Plan or participate in a retirement system administered by the parent organization, or by a recognized insurance company.

Round About

¶ The Hartford Times on June 24 carried a little story as follows: (re-produced)

Delay in Revenue

The Internal Revenue Department employees have been wondering where their own revenue has been the last few days.

The employees were caught short when their pay checks failed to arrive Wednesday. In fact they were so short that they got about \$3,000 in loans from the Federal Credit Union Thursday.

Today the checks for two weeks arrived, however, and everything is quiet in that department again. This is not the first time the checks have been overdue. On previous occasions at this time of year, toward the end of the government's fiscal year, the revenueurs have been late in receiving their own revenue.

¶ On the Central Indiana Chapter notice, it mentions the 25th annual meeting of the Indiana Credit Union League. Only credit union leagues can go back 25 years. If any directors and committeemen are discouraged, just look at what has been built in the last 25 years in savings, and facilities for service by the ordinary people, who didn't know they could do it until they tried and kept trying.

¶ The 1948 figures just came in from Minnesota. The assets of Minnesota credit unions went up to 14%, loans 32%, and the number of members increased 10%.

¶ The Cross Lake Credit Union puts out its educational literature in English and Cree. The rubber stamp used by the credit union below illustrates the use of the two languages.



¶ The Minneapolis Star and Tribune placed a Century Vault in the corner stone of their new building. Among the documents placed in the vault to be opened in 2048 was the Centennial Booklet of the Minnesota Credit Union League commemorating the 100th anniversary of the credit union movement.

¶ The 19 credit unions in the Owens-Illinois Glass Company passed the \$3 million mark in shares saved. This is a pretty good example for other industries.

¶ Wayne University and the Michigan Credit Union League sponsored a series of courses beginning February 17 thru April 25. Three meetings were held for Volunteer Organizers; credit union history and operations covered 3 meetings; treasurers duties occupied 6 meetings; and the supervisory and credit committee subjects each were given 3 class sessions. This is the second year for the joint sponsorship of a credit union course.

¶ From South Nelson, New Brunswick, Canada, comes the report of the death of James Bushy, who is thought to be the oldest credit union member. His age was given as 100 years, but owing to the lack of records, many claim him to be 105 years old.

¶ In the Motorman, Conductor, and Motor Coach Operator magazine for May, under the section "What Our Local Divisions Are Doing"—we find 6 of the locals mention their credit unions.

¶ During February the Oregon Journal from Portland carried a 22 page newspaper section on the Fred Meyer super-market enterprises. Included in this section was a story of a credit union serving his employees,

and as news stories often do, it aroused an inquiry as to the services this credit union renders to the employees of this industry.

¶ The 1949 director's report from the Saskatchewan Credit Union League remarks, "That not one credit union organized in this province has been liquidated."

¶ The National Underwriter for June mentions the growing tendency of borrowers to insist on insurance covering the unpaid balance when making bank loans.

Million Dollar Credit Union

(Continued from page 8)

spite a drop in the overall employment in the company.

Treasurer Bob Steinke, himself a live-wire, attributes this progress to the enthusiasm, hard work and unselfish interest put into the credit union by the members. He says, "For three years the Credit Committee has met as faithfully as old Father Time—and they have been more than willing to spend their own time without any remuneration whatsoever. The Supervisory Committee has met regularly each week to audit and check the books and ledger accounts—the committee's friendly approach and helpful suggestions have been a great incentive."

With the added incentive of Life Savings Insurance, Gates Mutual expects to continue tremendous growth—in terms of dollars and cents as well as in terms of service to its members.

Economic Aspect

A SCOTCHMAN went to Australia. When he returned four years later he found his three brothers, all with long beards, at the railroad station.

"What's the big idea?" he begged.

"Ye should know, ye took the razor away wi' ye," was the reply.—MARYLAND CREDIT UNION NEWS.

The Road to Fame

He longed to find the Road to Fame,
But not a highway bore that Name,
He thought of glory there must be
A level path that he should see;
But every road to which he came
Possessed a terrifying name.
He never thought that Fame might lurk
Along the dreary road called Work.
He never thought to go and see
What marked the road called Industry.
Because it seemed so rough and high,
He passed the road to Service by.
Yet had he taken either way
He might have come to Fame some day.

Gertrude Thompson.—ENROZETTE.

Credit Union Members

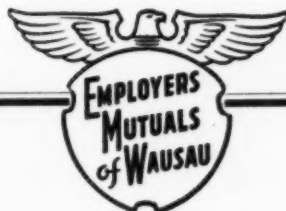
ARE BETTER OFF

**Thru the Use of Credit Union
Thrift Facilities**

The CUNA Automobile Insurance Program also offers a host of benefits. It saves time; brings the member assurance of dependable dealings; offers standard rates with substantial dividends; and many other advantages that grow with mutual endeavors such as the loss payable clause that makes loan services easier and quicker, and the local selection of the insurance advisor.

**Use the CUNA Automobile Insurance
Program to Serve Your Members Better**

***For further information write the Credit Union National Association,
P. O. BOX 431, MADISON 1, WISCONSIN***



Employers Mutual Liability Insurance Company of Wisconsin

Home Office: Wausau, Wisconsin

Credit Union Insurance Department: Appleton, Wisconsin



"Life Savings insurance is a lot like this wheat we're cutting, Son. Mother and I started our credit union account with just a little bit o' money—the way you started with just a little seed. Through the years that money's grown, and as we saved, the credit union added Life Savings insurance for us, until now we have a tidy sum set aside, and with it is a \$1,000 in insurance that'll mean a lot to your mother. Yessir, it started small, but there sure is a mighty fine harvest!"

Offer your members Life Savings insurance and watch their savings grow!

CUNA MUTUAL INSURANCE SOCIETY
MADISON, WISCONSIN HAMILTON, ONTARIO